

Proposed Digital Marketing Initiatives to Increase Sales of Owned Digital Assets: Case Study of Babycare

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Abstract: *In the recent years, we observed the growing trend towards e-commerce in the retail trade industry. However, Babycare for the past few years were not able to effectively utilize their own digital assets (website and mobile apps) to get online sales. In this research, the author gathered some insights from the internal stakeholders, and we also did customer surveys to observe any key barriers. And this research found that some of the key barriers include low awareness among potential users, and the need for improved customer journey experiences on the digital platforms. This research proposes three digital marketing initiatives based on the insights gathered. The first initiative is for Babycare to build awareness and familiarity with the digital assets (website and mobile apps). Secondly, improving the customer journey to give the customers a seamless shopping experience. And then the last initiative is to create a full-funnel content that covers awareness, consideration, and conversion. Through the proposed digital marketing initiatives that were aligned with customer needs, it should allow Babycare to have a baseline to improve the effectiveness of its digital marketing. The proposed initiatives focus on building a stronger digital presence, improving customer satisfaction, and ultimately taking control of its online sales.*

Keywords: Digital Marketing, Digital Advertising, Marketing, Customer Behavior, Omnichannel

1. Introduction

The retail trade industry in Indonesia is a crucial part of the country's economy, especially in recent years. It is expected that until 2026, the sales value of the retail market in Indonesia was estimated to have a compound annual growth rate (CAGR) of 11 percent. The preference for online shopping is likely a contributing factor to this growth, due to its convenience and attractive promotional offers. Major retail companies are expanding their physical stores while also enhancing their online presence to meet the consumer demands.

ABC Group is one of the major players in the retail distribution industry. The company was established in 2005 and headquartered in Jakarta, Indonesia. It has established a significant presence in the Indonesian retail market by introducing globally recognized brands to the local audience, starting from fashion, footwear, coffee brands, and mother and baby products.

Babycare is one of the biggest brands on ABC Group portfolio of brands, and digital media channels such as a website and mobile apps are one of the revenue drivers for the brand. Even though there are growing trends in the e-commerce landscape for retail, Babycare has faced

challenges in effectively utilizing its digital assets to boost revenue. Although the brand operates a website and mobile apps, most of its sales still come from physical store visits. This reliance on offline sales channels indicates a potential gap in the company's digital strategy, where the revenue growth from these owned digital media channels (website and mobile apps) has been declining YoY since 2021 and an inconsistent online sales performance has been observed month over month in the recent year.

This research is aiming to find out the performance of digital marketing initiatives implemented by Babycare and evaluate their effectiveness in driving online sales, to identify and understand the key challenges preventing the increase of online sales, and how to overcome them, and also to find the basis for developing the most effective digital marketing initiatives to increase revenue/sales from brand-owned digital assets.

2. Literature Review

In this research, we will be exploring foundational theories in digital marketing, omnichannel retail, marketing communications, and the consumer purchase decision process, and we will be focusing specifically on how all of these apply in digital context. To assess the Babycare business issue, we're going to use the RACE framework, which was introduced by Chaffey (2022). This framework will be used throughout the research.

Digital Marketing Framework

Chaffey and Ellis-Chadwick (2022) define digital marketing as the utilization of digital media, data, and technology along with traditional communication methods to achieve specific marketing goals. An effective digital marketing plan includes a deep understanding of online customer behavior, the use of several digital channels, and continuous performance evaluation and optimization. And the RACE framework is a clear, practical approach that fits the customer lifecycle and may assist brands like Babycare to navigate the complex digital environments (Chaffey, 2022).

In the 'Reach' stage, the focus is on building awareness and familiarity to the digital assets. The second stage, which is 'Act' is where we focus on encouraging engagement and initial customer interactions, such as driving traffic to the website. The next stage, 'Convert' refers to a valuable action taken by the customers for the business, for example a customer making a purchase. And the last stage, 'Engage' refers to a post-purchase action done by customers that encourages loyalty.

Omnichannel Retail

Omnichannel retailing is the process of selling products or services through a variety of channels, allowing the consumers to choose their preferable method of interaction at any given moment. The research done by Gasparin and Slongo (2023) mentioned that this method prioritizes the development of an integrated brand experience instead of an isolation of individual channels. This omnichannel retailing model recognizes that customers on the present day frequently go through a whole purchase journey from multiple channels. The journey starts when a customer sees the ad for a product they're interested in from social media, surfs the products from a website, then visits an offline store to view the product in person, and finally purchases the product from a mobile app. This scenario shows that when a brand provides multiple ways for customers to engage, it ultimately gives the brand a stronger presence in the market. Babycare as a brand already leverages omnichannel retailing strategy

by allowing the customers to order products from their website and/or mobile apps, then provides an option for the customers to do a ‘Store Pick-up’.

Marketing Communication in Digital Context

Marketing communication is referred to as how businesses share messages to the customers, including advertising, promotions, social media, and email marketing. Particularly, promotions play a major role in driving customers' purchase decisions, since it encourages immediate action from them.

Similarly, in the digital landscape, digital coupons have become one of the most effective promotion tools that can encourage customers' purchase decisions. Pandey et al. (2024) found that digital coupon awareness directly impacts customers' intention to buy, meaning when customers are more aware of digital coupons, they are more likely to make a purchase.

Consumer Purchase Decision in Digital Context

There are usually five stages in the consumer purchase decision process: problem recognition, information search, evaluating alternatives, purchase decision, and then the last is post-purchase evaluation. Naik and Peters (2009) also describe the buying process as having the three main stages: awareness, consideration, and purchase, which is usually used as a standard framework for the digital marketing full-funnel objectives.

If we're talking about the digital context, Solomon (2022) looks at how the digital environments influence the way consumers go through this decision process. Solomon observed there were no changes when it comes to the first stage, which is the problem recognition. The key differentiation lies on the information search part; the study highlights how online platforms offer various ways of easily accessible product information which enables consumers to compare different brands and products before making a decision. This allows consumers to have more authority over their decisions, and at the same time also makes it harder for them to choose over the noisy information. Consequently, brands have to find a way to break through these noises.

3. Research Methods

This research implements the use of both qualitative and quantitative approaches to explore the digital marketing challenges and opportunities faced by the subject research (i.e., Babycare). In the implementation of qualitative research, this research is done by a semi-structured interview with Babycare internal stakeholders to gather information, insights, and perspectives of the people who manage the business on a day-to-day basis. While the implementation of the quantitative research, a questionnaire is shared to external stakeholders, i.e., Babycare customers. Furthermore, to ensure the granularity of the analysis covered, the research will explore two customer perspectives by dividing them into two distinct groups:

- a) Customers who have never made a purchase on the website and/or mobile apps.
- b) Customers who have previously made purchases on the website and/or mobile apps.

The former is essential to identify the key reasons as to why some customers choose not to purchase on the website or mobile apps, while the latter is equally as important to understand the customers' experience who have directly interacted with the website or mobile apps. From the survey result, we can get insights about the overall purchase journey and highlight any gaps between customers' expectations and the actual customers' experience (if any).

Furthermore, the collected data will be analyzed using a **descriptive analysis** to summarize and explain the findings in a clear and straightforward manner.

4. Results

This section outlines the findings of the research. At the outset, the semi-structured interview results with internal stakeholders provide diverse yet interconnected insights into the challenges and opportunities faced by Babycare’s online channels. All stakeholders agreed that the decline in the revenue generated from online channels is a significant issue and there are multiple perspectives to the root causes.

Customer Journey Challenges

The top priority arises across all interviews lies on the customer journey optimization on the website and mobile apps. The interview with the VP uncovers issues such as slow loading pages on the website, inefficient login process, and inefficient search functionality as a challenge. It is also supported by the customers’ survey that they had issues with website navigation and problems with the login experience.

Low Traffic to Website and Stagnant Mobile App Growth

Traffic acquisition was another recurring theme, with stakeholders emphasizing the need for a better approach in driving more traffic to the website as well as driving more mobile app installs. Based on the data obtained from the internal stakeholders, Babycare within this year is a bit struggling to maintain a good number of traffic to their owned digital assets as seen on the graph below.

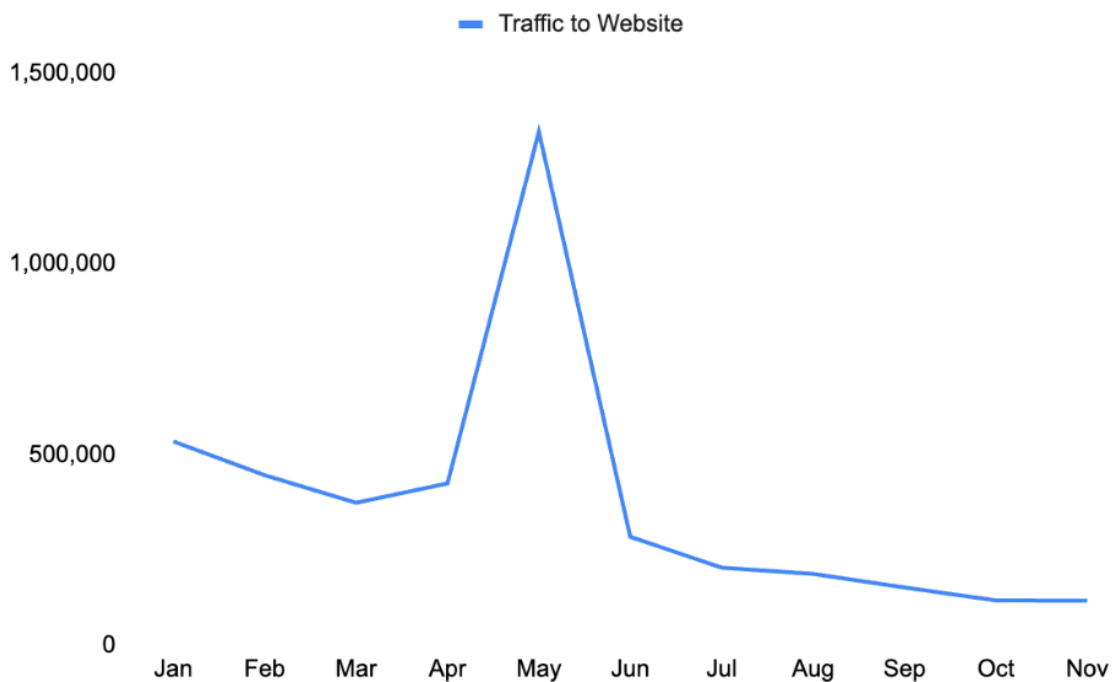


Figure 1: Traffic to Website (January - November 2024)

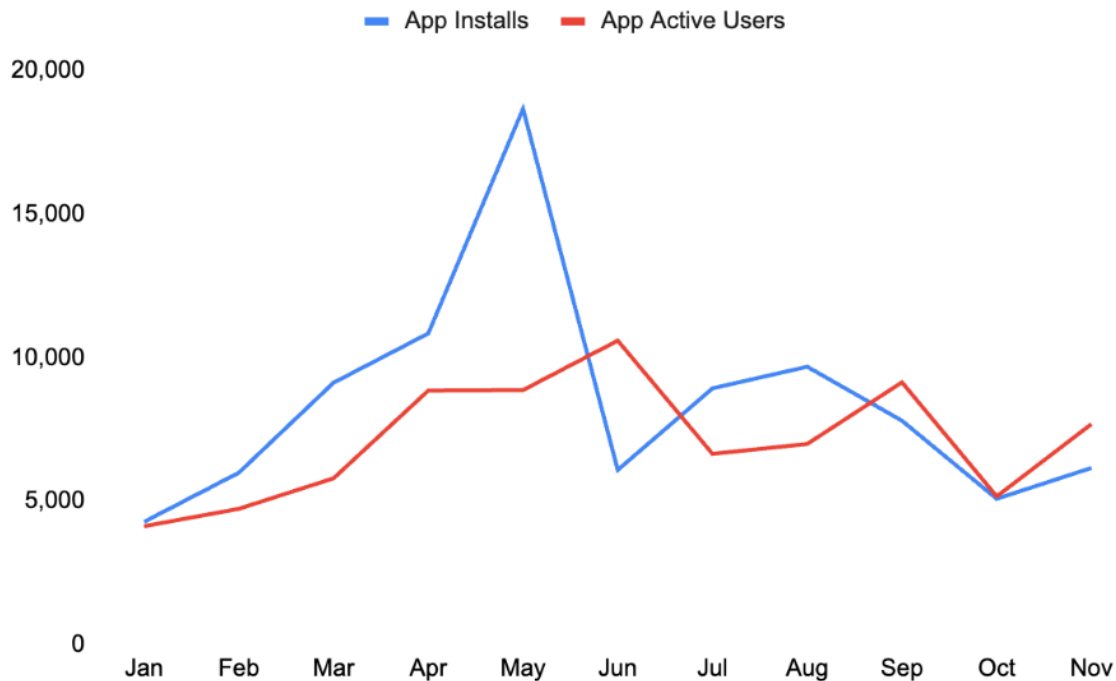


Figure 2: App Installs and Active Users (January - November 2024)

This data is also further elaborated through the customer survey, where the non-online purchasers mention that they are not familiar with the website and/or mobile apps as the primary reason why they're not buying through these digital channels.

Creative Content Challenges

Challenges with creative contents also emerged as a critical area for improvement, as it is acknowledged by all stakeholders that the role of creative content challenges plays the utmost role in customer engagement and conversion. It is emphasized by the VP that video content has become the dominant medium in digital marketing, considering the consumer preferences for an easier digestible format. The VP explained a funnel-based approach for creatives, starting with awareness campaigns to introduce the brand, followed by consideration campaigns to build trust, and finally conversion campaigns that offer incentives.

5. Conclusion and Suggestion

Based on the analysis, a business solution is proposed to address the identified challenges in the initial stage of this research. There are three solutions that we would focus on: (1) increasing awareness and familiarity of customers with the website and mobile apps; (2) optimizing the customer journey; and (3) enhancing the creative content strategy that can support the full-funnel digital marketing, starting from awareness consideration to conversion. However, these three business solutions are something that is interconnected and should be done altogether, not something that can be implemented separately, as it will be more effective when it is being backed up by the other. By implementing all three business solutions simultaneously, these recommendations should be able to provide Babycare with a basis or foundation for long-term growth, as well as a more sustainable approach to gain more sales.

Increasing Awareness and Familiarity

In order to address this issue, Babycare should focus on digital advertising campaigns that target the right people, and use all the high-impact platforms such as Google Ads, Instagram and TikTok. If we refer to the insight where the majority of Babycare customers first heard

about the brand from social media, it is also wise to invest more heavily on the social media platforms (such as Instagram and TikTok). These digital advertising campaigns should also be backed up by the right content strategy following the full-funnel approach, and if we're talking about awareness, the creative should emphasize the brand value and key platform benefits such as secure transactions, loyalty rewards, and ease of use.

Customer Journey Optimization

Customer journey is a crucial component in the customer purchase decision, particularly in the online purchase journey. It is necessary to simplify the onboarding process for new customers (e.g., implementing guest checkout option and OTP-based logins); and ensuring that website and mobile apps have complete product details.

For the existing customers, maintaining a seamless purchase journey is crucial to keep their satisfaction with the website and mobile apps. In order to do so, Babycare can consider implementing features such as saved payment options, faster checkout, and personalized product recommendations based on the customers' browsing history.

Enhancing Creative Content Strategy

To effectively drive online sales and maximize the impact of digital advertising initiatives, Babycare needs to focus on developing creative content that aligns with the full-funnel marketing approach: from brand building (awareness) to consideration and conversion. Each stage of the funnel requires tailored messaging and formats to address the unique needs of customers at different points in their journey.

For brand building (awareness), creative content should focus on introducing Babycare's website and mobile apps to a broader audience. This could include visually engaging ads that highlight the brand's identity, values, and unique selling points, such as reliability, trustworthiness, and product quality. Content formats such as video ads, interactive stories, or carousel posts on high-reach platforms like Instagram, TikTok, and YouTube can effectively grab attention and communicate key messages.

In the consideration stage, creative content should shift towards addressing customer needs and building trust. This includes showcasing features like ease of navigation, transaction security, and fast delivery through testimonials, product demonstrations, or detailed explainer videos.

Finally, for conversion, creative content should focus on urgency and incentives to drive immediate action. This can include ads promoting discounts, free shipping, limited-time offers, or loyalty rewards. Simplified and direct messaging, combined with strong calls-to-action (e.g., "Shop Now," "Limited Time Offer"), can reduce friction and encourage users to complete their purchases.

By aligning creative content with the full-funnel approach, Babycare ensures that its messaging remains relevant and impactful at every stage of the customer journey. This approach not only attracts new users but also nurtures and converts them into loyal customers, effectively driving online sales and reinforcing the brand's presence in the digital space.

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